GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:992
ANSWERED ON:23.11.2001
EXPORT OBLIGATIONS
V. SAROJA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

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(a) whether his Ministry notified a blank amnesty scheme in April, 1999 to all defunctioning firms by extending the period of export obligations to March, 2001 even though the Law Ministry had held such action beyond the audit of subordinate legislation; (

(b) if so, the reasons therefor; (

(c) whether recovery is being made from such defunctioning firms; and (

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (d): Extension in period of export obligation for bonafide default was granted by public notice no.5 (RE-99) /1997-2002 dated 6th April, 1999 against execution of Bank Guarantee in respect of Advance Licences issued on or after 1.4.1992 and EPCG licences. While extension become effective for Advance Licence, the same could not be operationalised for EPCG licences as the Ministry of Law pointed out that extension in EO period cannot be allowed with retrospective effect in respect of licences issued under the Customs notifications where such facility did not exist. Therefore, an amendment was carried out in the Finance Bill, 2001 and extension was made applicable to the EPCG scheme also.

In cases where the licence holders have not availed the facility under the aforesaid public notice, adjudication proceedings have been initiated. Similarly, in cases where export obligation is not completed by the prescribed time, steps are initiated to recover the revenue involved through enforcement of bank guarantees.